

## Chapter 4—Bulk Small Balance Commercial Whole Loan Transfers

## Small Balance Commercial Loan Servicing Provisions

- (ii) Failure on the part of the Seller duly to observe or perform in any material respect any other of the covenants or agreements on the part of the Seller set forth herein which continues unremedied for a period of thirty days (except that such number of days shall be fifteen in the case of a failure to pay any premium for any insurance policy required to be maintained hereunder) after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Seller by DB Structured Products, Inc.; or
- (iii) Failure by the Seller to be in compliance with the “doing business” or licensing laws of any jurisdiction where a Mortgaged Property is located; or
- (iv) The Seller attempts to assign its right to servicing compensation hereunder or the Seller attempts, without the consent of DB Structured Products, Inc., to sell or otherwise dispose of all or substantially all of its property or assets or to assign the Seller Agreement or the servicing responsibilities hereunder or to delegate its duties hereunder or any portion thereof; or
- (v) Failure by the Seller to duly perform, within the required time period, its obligations under the subsections entitled “Statement as to Compliance” or “Independent Public Accountants’ Servicing Report” or “Assessment of Compliance with Servicing Criteria” which failure continues unremedied for a period of ten (10) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Seller by any party to the Seller Agreement or by any master servicer responsible for master servicing the Bulk Small Balance Commercial Loans pursuant to a securitization of such Bulk Small Balance Commercial Loans;

Then, and in each and every such case, so long as an Event of Default shall not have been remedied, DB Structured Products, Inc., by notice in writing to the Seller, may, in addition to whatever rights DB Structured Products, Inc. may have at law or in equity to damages, including injunctive relief and specific performance, terminate all the rights and obligations of the Seller as servicer hereunder. On or after the receipt by the Seller of such written notice, all authority and power of the Seller to service the Bulk Small Balance Commercial Loans hereunder shall on the date set forth in such notice pass to and be vested in the successor appointed pursuant to the subsection entitled “Successor to the Seller” in this Chapter 4.

If any of the Bulk Small Balance Commercial Loans are MERS Loans, in connection with the termination or resignation (as described in the subsection entitled “Seller Not To Resign” in this Chapter 4) of the Seller hereunder, either (i) the successor servicer shall represent and warrant that it is a member of MERS in good standing and shall agree to comply in all material respects with the rules and procedures of MERS in connection with the servicing of the Bulk Small Balance Commercial Loans that are registered with MERS, or (ii) the Seller shall cooperate with the successor company either (x) in causing MERS to execute and deliver an Assignment of Mortgage in recordable form to transfer

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### **Small Balance Commercial Loan Servicing Provisions**

the Security Instrument from MERS to DB Structured Products, Inc. and to execute and deliver such other notices, documents and other instruments as may be necessary or desirable to effect a transfer of such Bulk Small Balance Commercial Loan or servicing of such Bulk Small Balance Commercial Loan on the MERS System to the successor company or (y) in causing MERS to designate on the MERS System the successor company as the servicer of such Bulk Small Balance Commercial Loan.

Seller shall notify DB Structured Products, Inc. within one (1) Business Day upon an occurrence of any of the events listed in the subsection entitled “Disqualification or Suspension” in Chapter 3.

### **Waivers**

No term or provision may be waived or modified unless such waiver or modification is in writing and signed by the party against whom such waiver or modification is sought to be enforced.



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<b>Accepted Servicing Practices</b>	With respect to any Bulk Small Balance Commercial Loan, those mortgage servicing practices of prudent mortgage lending institutions which service mortgage loans of the same type as such Bulk Small Balance Commercial Loan in the jurisdiction where the related Mortgaged Property is located; all in accordance with the Bulk Small Balance Commercial Loan Documents and all applicable federal, state and local legal and regulatory requirements.
<b>Acquisition Cost</b>	The purchase price plus any cost incurred for rehabilitation, renovation, or energy improvements, or the cost to build including the purchase of land.
<b>Adjustable Rate Bulk Mortgage Loan</b>	A Bulk Mortgage Loan or Bulk Small Balance Commercial Loan which provides for the adjustment of the Mortgage Interest Rate payable in respect thereto.
<b>Adjustment Date</b>	With respect to each Adjustable Rate Bulk Mortgage Loan, the date set forth in the related Mortgage Note on which the Mortgage Interest Rate on such Adjustable Rate Bulk Mortgage Loan is adjusted in accordance with the terms of the related Mortgage Note.
<b>ALTA Title Policy</b>	A type of title insurance policy issued by title insurance companies that expands the insured risks under a standard policy to include unrecorded mechanic's liens, unrecorded physical easements, facts that a physical survey would reveal, water and mineral rights, and rights of parties in possession, such as tenants and buyers under unrecorded instruments.
<b>Alternative Documentation</b>	A substitute documentation process that allows lenders, under certain circumstances, to obtain documentation related to a Borrower's income, employment, funds for closing, and home Loan payment history directly from

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the Borrower, rather than from his or her employer, bank, or home Loan servicer.

**Appraised Value** With respect to any Mortgaged Property in a Bulk Whole Loan Transfer or Bulk Small Balance Commercial Whole Loan Transfer, the lesser of (i) the value thereof as determined by an appraisal made for the originator of the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan at the time of origination of the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan by an appraiser who met the minimum requirements of FNMA and FHLMC, and (ii) the purchase price paid for the related Mortgaged Property by the Mortgagor with the proceeds of the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan, provided, however, in the case of a Refinanced Bulk Mortgage Loan, such value of the Mortgaged Property is based solely upon the value determined by an appraisal made for the originator of such Refinanced Bulk Mortgage Loan at the time of origination of such Refinanced Bulk Mortgage Loan by an appraiser who met the minimum requirements of FNMA and FHLMC.

**Arm's Length Transaction** Transactions where:

- No family or business relationships pre-exist
- Both parties have an equal bargaining position
- Each party acts to protect its own interests

**Assignment and Conveyance** With respect to each Bulk Whole Loan Transfer or Bulk Small Balance Commercial Whole Loan Transfer, an assignment and conveyance of the Bulk Mortgage Loans or Bulk Small Balance Commercial Loan purchased on a Closing Date in the form annexed to the related Bulk Commitment Letter.

With respect to each Bulk Whole Loan Transfer, an assignment and conveyance of the Bulk Mortgage Loans purchased on a Closing Date in the form annexed to the related Bulk Commitment Letter.

**Assignment of Mortgage** An individual assignment of the Security Instrument, notice of transfer or equivalent instrument in recordable form, sufficient under the laws of the jurisdiction wherein the related Mortgaged Property is located to give record notice of the sale of the Security Instrument to DB Structured Products, Inc.

**Assignment of Leases** With respect to any Mortgaged Property, any assignment of leases, rents and profits or similar agreement (executed by the related Mortgagor, assigning to the Mortgage all of the income, rents and profits derived from the ownership, operation, leasing or disposition of all or a portion of such Mortgaged Property), in the form which such assignment or similar agreement was duly executed, acknowledged and delivered, as amended, modified, renewed or extended from time to time.

**Assumption** One party taking over, in writing, an obligation that was originally incurred by another. An example would be the assumption of an existing Loan by the new owner when the Subject Property is sold. An assumption does not relieve the



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original Borrower of responsibility for the obligation unless a substitution of liability is executed.

**Automated  
Valuation Model**

All of the available AVMs detailed below use data collected from public records and/or market data to determine current market value of the Subject Property. Their specific methodology is detailed below.

- ValuePoint

ValuePoint (VP), an automated property valuation model available through First American Real Estate Solutions, uses data collected from public records and employs the comparable sales approach to valuation. ValuePoint may be used as either a substitute for the URAR, subject to parameters set forth in this section, or for the required appraisal review. If used in lieu of the required review, the value of the Subject Property must have been determined by a full URAR.

- PASS

Developed by Solimar Inc., PASS weighs data from the immediate area of the subject to establish exact market trends for each property valued. The econometric analysis feature looks at different market conditions i.e., stable, declining, and appreciating in its evaluation. PASS may be used as a substitute for the URAR, subject to mortgage lien parameters set forth in this section. In those cases when PASS is unable to determine a value for the Subject Property, then the required URAR with appropriate review appraisal must be obtained.

- ValueFinder

This automated property valuation model available through C & S Marketing returns an estimate of current market value and supporting comparable sales. ValueFinder may be used as either a substitute for the URAR, subject to mortgage lien parameters set forth in this section, or for the required appraisal review. If used in lieu of the required review, the value of the Subject Property must have been determined by a full URAR. When ValueFinder is unable to determine a value for the Subject Property, then the required URAR or review appraisal must be obtained.

- APV

APV, an automated property valuation model available through LSI uses data collected from public records and employs multiple approaches to residential property valuations with a rules based reconciliation routine. APV may be used as either a substitute for the URAR, subject to mortgage lien parameters set forth in this section, or for the required appraisal review. If used in lieu of the required review, the value of the Subject Property must have been determined by a full URAR. In those cases when APV is unable to determine a value for the Subject Property, then the required URAR or review appraisal must be obtained been determined by a full URAR. In those cases.

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- Home Value Explorer

Freddie Mac Home Value Explorer (HVE) incorporates repeat sales and hedonic model logic. Available in 2700 counties in all 50 states, including non-disclosure states Texas, Indiana, Utah and New Mexico. As long as value of the Subject Property is determined by a full URAR, DB Structured Products, Inc. will accept a value as determined by HVE in lieu of the required appraisal review. In those cases where HVE is unable to determine a value for the Subject Property, or the value exceeds DB Structured Products, Inc.'s variance tolerance (+/-) then the required review as identified in DB-ALT Seller Obligations and Product Guide must be obtained. Check the AVM Select web site for geographic coverage.

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<b>Balloon Loan</b>	A Bulk Mortgage Loan or a Bulk Small Balance Commercial Loan identified on the Bulk Mortgage Loan Schedule as a balloon Bulk Mortgage Loan or balloon Bulk Small Balance Commercial Loan.
<b>Best Efforts Commitment</b>	A Borrower and Subject Property specific Delivery Commitment for which a Pair-Off is not assessed if the Loan is not closed with the Seller.
<b>Borrower</b>	Any person or persons (whether one or more) obligated to make payment of the indebtedness on a Loan.
<b>Borrower Information</b>	Defined in the "Confidentiality" section of Volume 1 of the <i>Deutsche Bank Correspondent Lending Seller Guides</i> .
<b>Bulk Commitment Letter</b>	With respect to any Bulk Mortgage Loan Package purchased and sold on any Closing Date, the letter agreement (including any exhibits, schedules and attachments thereto) between DB Structured Products, Inc. and the Seller, mutually acceptable to both DB Structured Products, Inc. and Seller, setting forth the terms and conditions of such transaction and describing the Bulk Mortgage Loans to be purchased by DB Structured Products, Inc. on such Closing Date. A Bulk Commitment Letter may relate to more than one Bulk Mortgage Loan Package to be purchased on one or more Closing Dates.
<b>Bulk Custodial Agreement</b>	The agreement governing the retention of the originals of each Mortgage Note, Security Instrument, Assignment of Mortgage and other Bulk Mortgage Loan Documents or Bulk Small Balance Commercial Loan Documents.
<b>Bulk Custodian</b>	The custodian under the Bulk Custodial Agreement, or its successor in interest or assigns, or any successor to the Bulk Custodian under the Bulk Custodial Agreement, as therein provided as set forth in the related Bulk Commitment Letter.

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<b>Bulk Mortgage Loan</b>	With respect to each Bulk Whole Loan Transfer, each first or second lien, residential Bulk Mortgage Loan underwritten pursuant to the Underwriting Guidelines, sold, assigned and transferred to DB Structured Products, Inc. pursuant to the Seller Agreement and the related Bulk Commitment Letter and identified on the Bulk Mortgage Loan Schedule annexed to the related Assignment and Conveyance on the related Closing Date that was not priced based upon a rate sheet issued by DB Structured Products, Inc., which Bulk Mortgage Loan includes without limitation the Mortgage File, the Monthly Payments, Principal Prepayments, Liquidation Proceeds, Condemnation Proceeds, Insurance Proceeds, REO Disposition proceeds, and all other rights, benefits, proceeds and obligations arising from or in connection with such Bulk Mortgage Loan.
<b>Bulk Mortgage Loan Documents</b>	With respect to each Bulk Mortgage Loan, the documents identified in the subsection entitled "Delivery and Examination of the Bulk Mortgage Loan Documents".
<b>Bulk Mortgage Loan Package</b>	The Bulk Mortgage Loans or Small Balance Commercial Loans listed on a Bulk Mortgage Loan Schedule, delivered to the Bulk Custodian and DB Structured Products, Inc. at least three (3) Business Days prior to the related Closing Date and attached to an Assignment and Conveyance as Schedule One on the related Closing Date.
<b>Bulk Mortgage Loan Schedule</b>	<p>With respect to each Bulk Mortgage Loan Package, the schedule of Bulk Mortgage Loans or Bulk Small Balance Commercial Loans to be annexed to an Assignment and Conveyance as Schedule One on each Closing Date for the Bulk Mortgage Loan Package delivered on such Closing Date in both hard copy and electronic form, such schedule setting forth the following information with respect to each Bulk Mortgage Loan or Bulk Small Balance Commercial Loan in the Bulk Mortgage Loan Package:</p> <ol style="list-style-type: none"> <li>(1) the Seller's Bulk Mortgage Loan or Bulk Small Balance Commercial Loan identifying number;</li> <li>(2) the Mortgagor's first and last name;</li> <li>(3) the street address of the Mortgaged Property including the city, state and zip code;</li> <li>(4) a code indicating whether the Mortgaged Property is owner-occupied;</li> <li>(5) with respect to each Bulk Mortgage Loan, the type of Residential Dwelling constituting the Mortgaged Property;</li> <li>(6) the original months to maturity;</li> <li>(7) the original date of the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan and the remaining months to maturity from the Cut-off Date, based on the original amortization schedule;</li> <li>(8) the Loan-to-Value Ratio and, if the Bulk Mortgage Loan is a Second Lien, the Combined Loan-to-Value Ratio, each at origination;</li> </ol>

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- (9) the Mortgage Interest Rate in effect immediately following the Cut-off Date;
- (10) the date on which the first Monthly Payment was due on the Bulk Mortgage Loan or the Bulk Small Balance Commercial Loan;
- (11) the stated maturity date;
- (12) the amount of the Monthly Payment at origination;
- (13) the amount of the Monthly Payment as of the Cut-off Date;
- (14) the last Due Date on which a Monthly Payment was actually applied to the unpaid Stated Principal Balance;
- (15) the original principal amount of the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan and, if such Bulk Mortgage Loan is in a junior lien position, the principal balance of the First Lien at origination of the Bulk Mortgage Loan;
- (16) the Stated Principal Balance of the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan as of the close of business on the Cut-off Date;
- (17) with respect to each Adjustable Rate Bulk Mortgage Loan, the first Adjustment Date;
- (18) with respect to each Adjustable Rate Bulk Mortgage Loan, the Gross Margin;
- (19) a code indicating the purpose of the loan (i.e., purchase financing, Rate/Term Refinancing, Cash-Out Refinancing);
- (20) with respect to each Adjustable Rate Bulk Mortgage Loan, the Maximum Mortgage Interest Rate under the terms of the Mortgage Note;
- (21) with respect to each Adjustable Rate Bulk Mortgage Loan, the Minimum Mortgage Interest Rate under the terms of the Mortgage Note;
- (22) the Mortgage Interest Rate at origination;
- (23) with respect to each Adjustable Rate Bulk Mortgage Loan, the Periodic Rate Cap;
- (24) with respect to each Adjustable Rate Bulk Mortgage Loan, the first Adjustment Date immediately following the related Cut-off Date;
- (25) with respect to each Adjustable Rate Bulk Mortgage Loan, the Index;
- (26) the date on which the first Monthly Payment was due on the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan and, if such date is not consistent with the Due Date currently in effect, such Due Date;
- (27) a code indicating whether the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan is an Adjustable Rate Bulk Mortgage Loan or a Fixed Rate Bulk Mortgage Loan;
- (28) a code indicating the documentation style (i.e., full, alternative or reduced);



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- (29) a code indicating if the Bulk Mortgage Loan is subject to a Primary Insurance Policy or LPMI Policy; and if so, the provider of such insurance, the coverage percentage of such insurance and the fee payable to the provider in respect of such insurance;
- (30) the Appraised Value of the Mortgaged Property;
- (31) the sale price of the Mortgaged Property, if applicable;
- (32) a code indicating whether the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan is subject to a Prepayment Penalty, the term of such Prepayment Penalty and the amount of such Prepayment Penalty;
- (33) the product type (e.g., 2/28, 15 year fixed, 30 year fixed, 15/30 balloon, option ARM, etc.);
- (34) the Mortgagor's debt to income ratio;
- (35) with respect to any Loan, a code indicating whether the Mortgaged Property is subject to a First Lien or a Second Lien;
- (36) a code indicating the Credit Score of the Mortgagor at the time of origination of the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan;
- (37) the Bulk Mortgage Loan's or Bulk Small Balance Commercial Loan's payment history;
- (38) a code indicating the form of appraisal (i.e. form 1004, 2055, etc.);
- (39) a code indicating whether the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan is a MERS Loan and, if so, the corresponding MIN; and
- (40) a code indicating if the Bulk Mortgage Loan is an interest-only Bulk Mortgage Loan and, if so, the term of the interest-only period of such Bulk Mortgage Loan;
- (41) the amount of any fees payable by the Mortgagor in connection with the origination of such Bulk Mortgage Loan or Bulk Small Balance Commercial Loan;
- (42) the Mortgagor's income at origination;
- (43) the amortized original term to maturity as of the Cut-off Date;
- (44) with respect to each Adjustable Rate Bulk Mortgage Loan, a code indicating the frequency of adjustment of the related Mortgage Interest Rate;
- (45) the number of units in the related Mortgaged Property;
- (46) a code indicating whether the related Mortgagor is self-employed;
- (47) a code indicating the credit grade;
- (48) Tax Service Contract provider;
- (49) Tax Service Contract number;
- (50) with respect to each Option ARM Bulk Mortgage Loan, the aggregate amount of Negative Amortization as of the Cut-off Date, if any.

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- (51)the race of the Mortgagor and any co- Mortgagor;
- (52)the ethnicity of the Mortgagor and any co- Mortgagor;
- (53)the gender of the Mortgagor and any co- Mortgagor;
- (54)the age of the Mortgagor and any co- Mortgagor;
- (55)the date of birth of the Mortgagor and any co- Mortgagor;
- (56)the combined monthly income;
- (57)the combined monthly debt expense;
- (58)the combined monthly housing expense;
- (59)year the Mortgaged Property was built;
- (60)a code indicating if the Mortgagor is a first time home buyer;
- (61)the number of bedrooms in a one-family property or for each unit in a two-family to four-family property;
- (62)the current actual monthly rent or the estimated market rent (if the unit is not rented currently) in a one-family property or for each unit in a two-family to four-family property;
- (63)APR (Annual Percentage Rate);
- (64)HOEPA status flag;
- (65)date of application; and
- (66)date of the rate lock.

With respect to the Bulk Mortgage Loan Package in the aggregate, the Bulk Mortgage Loan Schedule shall set forth the following information, as of the related Cut-off Date:

- (A) (A)the number of Bulk Mortgage Loans and/or Bulk Small Balance Commercial Loans;
- (B) (B)the current principal balance of the Bulk Mortgage Loans and/or Bulk Small Balance Commercial Loans;
- (C) (C)the weighted average Mortgage Interest Rate of the Bulk Mortgage Loans and/or Bulk Small Balance Commercial Loans; and
- (D) (D)the weighted average maturity of the Bulk Mortgage Loans and/or Bulk Small Balance Commercial Loans.

**Bulk Purchase Price**

With respect to each Bulk Whole Loan Transfer or Bulk Small Balance Commercial Whole Loan Transfer, the price paid on the related Closing Date by DB Structured Products, Inc. to the Seller pursuant to the related Bulk Commitment Letter in exchange for the Bulk Mortgage Loans or Bulk Small Balance Commercial Loans purchased on such Closing Date as provided in the subsection entitled "Bulk Purchase Price" in Chapter 2 with respect to the Bulk Mortgage Loans and in Chapter 4 with respect to the Bulk Small Balance Commercial Loans.

**Bulk Small Balance Commercial Loan**

With respect to each Bulk Whole Loan Transfer, each first lien, Bulk Small Balance Commercial Loan underwritten pursuant to the Underwriting Guidelines, sold, assigned and transferred to DB Structured Products, Inc. pursuant to the Seller Agreement and the related Bulk Commitment Letter and

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	identified on the Bulk Mortgage Loan Schedule annexed to the related Assignment and Conveyance on the related Closing Date that was not priced based upon a rate sheet issued by DB Structured Products, Inc., which Bulk Small Balance Commercial Loan includes without limitation the Mortgage File, the Monthly Payments, Principal Prepayments, Liquidation Proceeds, Condemnation Proceeds, Insurance Proceeds, REO Disposition proceeds, and all other rights, benefits, proceeds and obligations arising from or in connection with such Bulk Small Balance Commercial Loan.
<b>Bulk Small Balance Commercial Loan Documents</b>	With respect to each Bulk Small Balance Commercial Loan, the documents identified in the subsection entitled “Delivery and Examination of the Bulk Small Balance Commercial Loan Documents”.
<b>Bulk Whole Loan Transfer</b>	Any sale or transfer of Bulk Mortgage Loans or Bulk Small Balance Commercial Loan by the Seller to DB Structured Products, Inc. under the section entitled “Bulk Whole Loan Transfers” or “Bulk Small Balance Commercial Whole Loan Transfer”.
<b>Business Day</b>	Any day other than a Saturday or Sunday, or a day on which banking and savings and loan institutions in the State of New York are authorized or obligated by law or executive order to be closed.
<b>Buydown Agreement</b>	An agreement between the Seller and a Borrower, or an agreement among the Seller, a Borrower and a seller of a Subject Property or a third party with respect to a Loan which provides for the application of Buydown Funds.
<b>Buydown Funds</b>	In respect of any Buydown Loan, any amount contributed by the seller of a Subject Property subject to a Buydown Loan, the buyer of such Subject Property, the Seller or any other source, plus interest earned thereon, in order to enable the Borrower to reduce the payments required to be made from the Borrower's funds in the early years of a Loan.
<b>Buydown Loan</b>	Any Loan in respect of which, pursuant to a Buydown Agreement, (i) the Borrower pays less than the full monthly payments specified in the Note for a specified period and (ii) the difference between the payments required under such Buydown Agreement and the Note is provided from Buydown Funds.
<b>Buydown Period</b>	The period of time when a Buydown Agreement is in effect with respect to a related Buydown Loan.

## C

<b>Cash-out Refinance</b>	A refinance transaction in which the amount of money received from the new Loan or Bulk Mortgage Loan exceeds the total of the money needed to repay the existing first mortgage, closing costs, points, and the amount required to satisfy any outstanding subordinate mortgage liens. In other words, a refinance transaction in which the Borrower receives additional cash that can be used for
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	any purpose. Please refer to Chapters 1 through 4 of Volume 1, Seller Representations and Warranties of the <i>Deutsche Bank Correspondent Lending Seller Guides</i> .
<b>Closing Date</b>	The date or dates on which from time to time shall purchase and the Seller from time to time shall sell to DB Structured Products, Inc., the Bulk Mortgage Loans or Bulk Small Balance Commercial Loans listed on the related Bulk Mortgage Loan Schedule with respect to the related Bulk Mortgage Loan Package
<b>Closing Documents</b>	With respect to any Closing Date, the documents required pursuant to the subsection entitled “Closing Documents” in Chapter 2 with respect to the Bulk Mortgage Loans and Chapter 4 with respect to the Bulk Small Balance Commercial Loans.
<b>Code</b>	The Internal Revenue Code of 1986, or any successor statute thereto.
<b>Combined Loan-to- Value Ratio (CLTV)</b>	<p>The percentage determined by dividing the sum of all primary and secondary mortgage liens by the property value.</p> <p>With respect to any <i>Bulk Mortgage Loan</i>, the fraction, expressed as a percentage, the numerator of which is the sum of (a) the original principal balance of the Bulk Mortgage Loan, plus (b) the unpaid principal balance of any related subordinate Bulk Mortgage Loan or loans secured by the Mortgaged Property, and the denominator of which is the Appraised Value of the related Mortgaged Property.</p>
<b>Commitment</b>	The commitment issued by DB Structured Products, Inc. following Seller’s submission to DB Structured Products, Inc. of other information regarding Loans offered for purchase and which sets forth the terms and conditions of transactions involving DB Structured Products, Inc.’s proposed purchase of a Loan or Loans to be consummated pursuant to the Seller Agreement on a Purchase Date. Any Commitment issued by DB Structured Products, Inc. subsequent to the date of the Seller Agreement shall be deemed to be adopted pursuant to the Seller Agreement. The Commitment will enumerate conditions that must be satisfied by Seller in connection with such purchase, and will specify the amount of any premium or discount to be included in the Purchase Price.
<b>Condemnation Proceeds</b>	All awards, compensation and settlements in respect of a taking of all or part of a Mortgaged Property by exercise of the power of condemnation or the right of eminent domain.
<b>Confidential Information</b>	Defined in the “Confidentiality” section of this Volume 1 of the <i>Deutsche Bank Correspondent Lending Seller Guides</i> .
<b>Construction-to-Permanent Loan</b>	A construction-to-permanent Loan is one which places permanent financing on a newly constructed dwelling. Usually, some form of temporary or construction financing is paid off at closing. If financing is in existence, a verification of



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mortgage showing payment history and Loan balance must be obtained. The construction financing must be paid off at closing.

<b>Contract Of Sale</b>	<p>A contract of sale is a contract between a purchaser and a Seller of real property to convey title after certain conditions have been met and payments have been made. Also known as a land contract or installment land contract. The terms, including the sales price, can be determined by reviewing the contract. When all of the proceeds are used to pay the outstanding balance of the contract of sale (no cash back to the Borrower) use purchase Loan-to-values (LTV) and Loan amounts. The LTV is based on the lower of:</p> <ul style="list-style-type: none"> <li>• The documented acquisition cost (which is the purchase price documented in the original contract of sale, plus any cost for the rehabilitation, renovation, or energy conservation improvement that the purchaser incurs and that is financed and therefore represents a lien on the Subject Property);</li> <li>• When Loan proceeds exceed the outstanding balance on a contract of sale, LTV is based on the appraised value. Loan amounts and LTVs for a Cash-Out or a Rate and Term Refi are used as applicable;</li> <li>• Since the sale has not been consummated, a sale escrow is used to finalize the sale and transfer ownership. RESPA disclosures are required. Typically, the applicant is occupying the Subject Property as his or her principal residence, and therefore, rescission documentation is also required.</li> </ul>
<b>Convertible Bulk Mortgage Loan</b>	A Bulk Mortgage Loan that by its terms and subject to certain conditions contained in the related Security Instrument or Mortgage Note allows the Mortgagor to convert the adjustable Mortgage Interest Rate on such Bulk Mortgage Loan to a fixed Mortgage Interest Rate.
<b>Cooperative</b>	A cooperative apartment unit, also known as a co-op, is a form of ownership in which the property is owned by a homeowner's association or corporation. There is usually one residential Loan and one tax bill that is apportioned among the unit owners. Each owner holds shares in the corporation and has the right to occupy, rent (sometimes with restrictions), approve any modification to the premises, have first right of refusal if the unit is to be sold, and similar powers.
<b>Credit Score</b>	The credit score of the Mortgagor provided by Fair, Isaac & Company, Inc. or such other organization providing credit scores at the time of the origination of mortgage loan or a Bulk Mortgage Loan or Bulk Small Balance Commercial Loan. If two credit scores are obtained, the Credit Score shall be the lower of the two credit scores. If three credit scores are obtained, the Credit Score shall be the middle of the three credit scores.
<b>Custodial Account</b>	The separate account or accounts, each of which shall be an Eligible Account, created and maintained pursuant to this <i>Deutsche Bank Correspondent Lending Seller Guides</i> , which shall be entitled "[Seller], as servicer, in trust for

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DB Structured Products, Inc.”, and established at a financial institution acceptable to DB Structured Products, Inc.

**Cut-off Date** The first day of the month in which the related Closing Date occurs or as otherwise set forth in the related Bulk Commitment Letter.

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**Deleted Bulk Mortgage Loan** A Bulk Mortgage Loan or Bulk Small Balance Commercial Loan replaced or to be replaced by a Qualified Substitute Bulk Mortgage Loan.

**Delivery Commitment** An agreement between Seller and DB Structured Products, Inc. which provides for Seller to deliver a Loan by a specified date and at a specific Purchase Price.

**Delivery Commitment Expiration Date** The time frame within which the Seller must deliver a Loan to DB Structured Products, Inc. as specified in the *Deutsche Bank Correspondent Lending Seller Guides*.

**Desk Review** Appraiser reviews and analyzes content of appraisal report and makes a professional opinion based on the data contained in the appraisal as to whether or not the original appraiser’s value conclusion is realistic and properly supported and provides verification of market sales to support opinion.

**Determination Date** With respect to each Distribution Date, the last day of the calendar month immediately preceding such Distribution Date.

**Distribution Date** The fifth (5th) day of each month, commencing, for any Bulk Mortgage Loan Package on the fifth (5th) day of the month next following the month in which the related Cut-off Date occurs, or if such fifth (5th) day is not a Business Day, the first Business Day immediately following such fifth (5th) day.

**Domestic Partner** A domestic partner is an unrelated individual who shares a committed relationship with the primary wage earner, currently resides in the same household with the primary wage earner, and intends to reside with the primary wage earner at the new location.

**Drive By Appraisal** Appraiser performs an exterior inspection and provides three gridded comparable sales to support value. Pictures of Subject Property and new comparables must be included in the report.

**Due Date** The first day of each calendar month, which is the day on which each Monthly Payment is due on a Loan or Small Balance Commercial Loan, exclusive of any days of grace.



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## E

<b>Eligible Account</b>	<p>An eligible account is either:</p> <ul style="list-style-type: none"> <li>(i) an account or accounts maintained with a federal or state chartered depository institution or trust company the short-term unsecured debt obligations of which (or, in the case of a depository institution or trust company that is the principal subsidiary of a holding company, the short-term unsecured debt obligations of such holding company of which) are rated A-1 by S&amp;P or Prime-1 by Moody's (or a comparable rating if another rating agency is specified by DB Structured Products, Inc. by written notice to the Seller) at the time any amounts are held on deposit therein,</li> <li>(ii) an account or accounts the deposits in which are fully insured by the FDIC, or</li> <li>(iii) a trust account or accounts maintained with a federal or state chartered depository institution or trust company acting in its fiduciary capacity.</li> </ul> <p>Eligible Accounts may bear interest.</p>
<b>Enhanced Desk Review</b>	Appraiser analyzes present report and analyzes other comparables available to determine value. Appraiser provides gridded comparable sales.
<b>Enhanced Field Review</b>	Appraiser views outside of Subject Property or Mortgaged Property, analyzes present appraisal and selects three (3) new gridded comparable sales to determine value. Pictures of Subject Property or Mortgaged Property and new comparables must be included in the report.
<b>Equal Credit Opportunity Act (ECOA)</b>	ECOA is a federal law that requires lenders and other creditors to make credit available without discrimination based on race, color, religion, national origin, age, sex, marital status, receipt of income from public assistance programs, or good faith exercise of rights under the Consumer Credit Protection Act. It is implemented by Regulation B of the Federal Reserve.
<b>Escrow Account</b>	The separate trust accounts created and maintained pursuant to this <i>Deutsche Bank Correspondent Lending Seller Guides</i> which shall be entitled "[Seller], as servicer, in trust for DB Structured Products, Inc. and various Mortgagors, Fixed and Adjustable Rate Bulk Mortgage Loans and Bulk Small Balance Commercial Loans", and established at a financial institution acceptable to DB Structured Products, Inc.
<b>Escrow Payments</b>	The amounts constituting ground rents, taxes, assessments, water charges, sewer rents, Primary Insurance Policy premiums, fire and hazard insurance premiums and other payments required to be escrowed by the Mortgagor with the Mortgagee pursuant to the terms of any Mortgage Note or Security Instrument.

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**Event of Default** Any one of the events described in the subsection entitled “Event of Defaults” in Chapter 2 with respect to the Bulk Mortgage Loans and in Chapter 4 with respect to the Bulk Small Balance Commercial Loans.

**Exchange Act** The Securities Exchange Act of 1934, as amended.

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**FDIC** The Federal Deposit Insurance Corporation, or any successor thereto.

**FHLMC** Freddie Mac or any successor thereto.

**Field Review** Appraiser views outside of Subject Property or Mortgaged Property and analyzes present appraisal. Pictures of Subject Property or Mortgaged Property must be included in the report.

**Final Recovery Determination** With respect to any defaulted Bulk Mortgage Loan, Bulk Small Balance Commercial Loan or any REO Property (other than a Bulk Mortgage Loan, Bulk Small Balance Commercial Loan or REO Property repurchased by the Seller pursuant to the section entitled “Bulk Whole Loan Transfers”), a determination made by the Seller that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Seller, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Seller shall maintain records, prepared by a servicing officer of the Seller, of each Final Recovery Determination.

**Financial Statements** The documents required by the “Financial Statements” section in Chapter 1 with respect to the Loans and Chapter 3 with respect to the Small Balance Commercial Loans of Volume 1 of the *Deutsche Bank Correspondent Lending Seller Guides*.

**First Lien** With respect to each Mortgaged Property, the lien of the mortgage, deed of trust or other instrument securing a Mortgage Note which creates a first lien on the Mortgaged Property.

**First-time Homebuyer** First-time home buyer status applies when an individual has not owned a residential property in the past 36 months.

**Fixed Rate Bulk Mortgage Loan** A Bulk Mortgage Loan or Bulk Small Balance Commercial Loan with respect to which the Mortgage Interest Rate set forth in the Mortgage Note is fixed for the term of such Bulk Mortgage Loan or Bulk Small Balance Commercial Loan .

**FNMA** Fannie Mae or any successor thereto.



## Volume 1—Seller Representations and Warranties

## Glossary

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<b>Gross Margin</b>	With respect to any Adjustable Rate Bulk Mortgage Loan, the fixed percentage amount set forth in the related Mortgage Note and the related Bulk Mortgage Loan Schedule that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note to determine the new Mortgage Interest Rate for such Bulk Mortgage Loan or such Bulk Small Balance Commercial Loan.
<b>Guarantor</b>	The Mortgagor or the Person or Persons guaranteeing the obligations of a Mortgagor under a Note.

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<b>Hazardous Substance</b>	<p>(1) Those substances included within the definitions of any one or more of the terms “hazardous substances”, “hazardous materials”, “toxic substances” and “hazardous waste” in CERCLA, RCRA and the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801, et seq., and in the regulations promulgated pursuant thereto;</p> <p><b>Step 1.</b> those substances listed in the United States Department of Transportation Table (49 CFR § 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) (40 CFR § 302 and amendments thereto) as hazardous substances;</p> <p><b>Step 2.</b> such other substances, materials and wastes that are or become regulated under applicable local, state or federal laws, or that are classified as hazardous or toxic under federal, state or local laws or regulations; and</p> <p><b>Step 3.</b> any materials, wastes or substances that are (a) petroleum, (b) polychlorinated biphenyls, (c) within the definition of “hazardous substance” set forth in Section 311 of the Clean Water Act (33 U.S.C. § 1321), or designated as “toxic pollutants” subject to Chapter 26 of the Clean Water Act pursuant to Section 307 of the Clean Water Act (33 U.S.C. § 1317), or (d) friable asbestos.</p>
<b>HOA</b>	A homeowners’ association.
<b>HUD</b>	Department of Housing and Urban Development.



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## I

<b>Index</b>	With respect to any Adjustable Rate Bulk Mortgage Loan, the index identified on the Bulk Mortgage Loan Schedule and set forth in the related Mortgage Note for the purpose of calculating the interest rate thereon.
<b>Initial Closing Date</b>	The Closing Date on which the first Bulk Whole Loan Transfer or Bulk Small Balance Commercial Whole Loan Transfers occurs hereunder.
<b>Institutional Second</b>	Subordinate financing offered by an entity whose primary business is lending money, i.e., banks, financial institutions, etc.
<b>Insurance Proceeds</b>	With respect to each Bulk Mortgage Loan or Bulk Small Balance Commercial Loan, proceeds of insurance policies insuring the Bulk Mortgage Loan, or Bulk Small Balance Commercial Loan or the related Mortgaged Property.
<b>Interim Servicing Period</b>	With respect to any Bulk Mortgage Loan or Bulk Small Balance Commercial Loan in a Bulk Whole Loan Transfer, unless otherwise set forth in the related Bulk Commitment Letter, the period commencing on the related Closing Date and ending on the thirtieth day after such Closing Date (or if such day is not a Business Day, the first Business Day immediately following such day). The Interim Servicing Period shall continue for additional thirty (30) day periods following the expiration of the prior thirty (30) day period, unless DB Structured Products, Inc. notifies the Seller prior to the expiration of an Interim Servicing Period that the Seller shall be terminated as interim servicer at the expiration of the Interim Servicing Period.
<b>Investment Property</b>	Investment property is a 1-4 unit property not occupied by the Borrower. This definition is used whether or not the property produces revenue. Also known as a non-owner-occupied property.

## J

<b>Joint Tenancy</b>	Joint ownership by two or more persons with right of survivorship. All joint tenants have an equal ownership interest and have equal rights in the property.
<b>Judgment</b>	The decision of a court of law. Money judgments, when recorded, become a lien against the defendant or a lien on the defendant's real property.

## L

<b>Lease Abstracts</b>	A summary of the terms and provisions of each lease affecting any Mortgaged Property prepared by the Seller.
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<b>Lease with Option to Buy</b>	A lease under which the lessee has the option to purchase the property. The price (or a formula for calculating it) and terms of the purchase must be set forth if the option is to be valid. The option may run the length of the lease or only for a portion of the lease period.
<b>Leasehold</b>	A method of holding title to a property wherein the Borrower does not actually own the land parcel but rather has a recorded long-term lease on it. A leasehold estate has a specific duration.
<b>Lender Paid Mortgage Insurance Policy or LPMI Policy</b>	A policy of mortgage guaranty insurance issued by a Qualified Insurer in which the owner or servicer of the Bulk Mortgage Loan is responsible for the premiums associated with such mortgage insurance policy.
<b>Liquidation Proceeds</b>	Amounts, other than Insurance Proceeds and Condemnation Proceeds, received in connection with the liquidation of a defaulted Bulk Mortgage Loan or Bulk Small Balance Commercial Loan through trustee's sale, foreclosure sale or otherwise, other than amounts received following the acquisition of REO Property and prior to an REO Disposition.
<b>Loan</b>	A Loan secured by a Security Instrument purchased by DB Structured Products, Inc. from Seller pursuant to the <i>Deutsche Bank Correspondent Lending Seller Guides</i> and the Seller Agreement.
<b>Loan Documents</b>	The documents listed in Chapter 8 of Volume 3 of the <i>Deutsche Bank Correspondent Lending Seller Guides</i> .
<b>Loan-to-value (LTV)</b>	<p>The percentage relationship between the Loan or Bulk Small Balance Commercial Loan amount and the property value. The LTV is based on the lesser of:</p> <ul style="list-style-type: none"> <li>• The sales price or adjusted sales price</li> <li>• The appraised value</li> </ul> <p>With respect to any <i>Bulk Mortgage Loan</i> or Bulk Small Balance Commercial Loan as of any date of determination, the ratio on such date of the outstanding principal amount of the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan, to the Appraised Value of the Mortgaged Property.</p>

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<b>Mandatory Delivery Commitment</b>	A agreement between DB Structured Products, Inc. and the Seller as to terms under which Loans will be purchased, which requires delivery of Loans or Bulk Small Balance Commercial Loan .
<b>Manufactured Housing</b>	A manufactured home is a structure that is built off-site, than transported to a permanent site where it is completed and/or attached to a permanent foundation.



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<b>Master Servicer</b>	As defined in the subsection entitled “Statement as to Compliance” in Chapter 2 with respect to the Bulk Mortgage Loans and Chapter 4 with respect to the Bulk Small Balance Commercial Loans.
<b>Maximum Financing</b>	Any Loan amount that is within five percent (5%) of the highest Loan-to-value (LTV) ratio allowed for a specific Loan program. When subordinate financing is involved, the combined Loan-to-value (CLTV) ratio for all Loans is used to make this determination.
<b>Maximum Mortgage Interest Rate</b>	With respect to each Adjustable Rate Bulk Mortgage Loan, a rate that is set forth on the related Bulk Mortgage Loan Schedule and in the related Mortgage Note and is the maximum interest rate to which the Mortgage Interest Rate on such Bulk Mortgage Loan may be increased on any Adjustment Date.
<b>MERS</b>	Mortgage Electronic Registration Systems, Inc., a corporation organized and existing under the laws of the State of Delaware, or any successor thereto.
<b>MERS Loan</b>	Any Loan or Small Balance Commercial Loan registered with MERS on the MERS System.
<b>MERS System</b>	The system of recording transfers of mortgages electronically maintained by MERS.
<b>MIN</b>	The Mortgage Identification Number for any MERS Loan.
<b>Minimum Mortgage Interest Rate</b>	With respect to each Adjustable Rate Bulk Mortgage Loan, a rate that is set forth on the related Bulk Mortgage Loan Schedule and in the related Mortgage Note and is the minimum interest rate to which the Mortgage Interest Rate on such Bulk Mortgage Loan may be decreased on any Adjustment Date.
<b>Mobile Homes</b>	Complete dwelling assembled in a factory with a permanent travel trailer (frame) containing wheels, axles, and hitch as part of the unit. It may be assembled in two or more pieces and shipped to the building site. Wheels, axles and hitches are removed and the portions are placed upon a permanent foundation and bolted together to form a finished house.
<b>Modular Homes</b>	Dwellings that are completely assembled in a factory but do not have a permanent travel trailer. They are transported to the site and placed on a permanent foundation. Larger modular houses may consist of several segments that are joined on-site. Also known as sectional homes.
<b>MOM Loan</b>	Any Bulk Mortgage Loan or Bulk Small Balance Commercial Loan as to which MERS is acting as mortgagee, solely as nominee for the originator of such Bulk Mortgage Loan or Bulk Small Balance Commercial Loan and its successors and assigns.
<b>Monthly Payment</b>	With respect to any Loan or Bulk Small Balance Commercial Loan, the scheduled combined payment of principal, if any, and interest payable by a Borrower under the related Note on each Due Date.



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<b>Moody's</b>	Moody's Investors Service, Inc. or its successor in interest.
<b>Mortgage File</b>	<p>With respect to a Bulk Whole Loan Transfer or Bulk Small Balance Commercial Whole Loan Transfer, the items pertaining to a particular Bulk Mortgage Loan or Bulk Small Balance Commercial Loan and any additional documents required to be added to the Mortgage File pursuant to the section entitled "Bulk Whole Loan Transfers" with respect to the Bulk Mortgage Loans and the section entitled "Bulk Small Balance Commercial Whole Loan Transfer" with respect to the Bulk Small Balance Commercial Loans or the related Bulk Commitment Letter, which shall include, without limitation, the following items:</p> <ol style="list-style-type: none"> <li>(1) Bulk Mortgage Loan Documents or Bulk Small Balance Commercial Loan Documents;</li> <li>(2) Residential or commercial loan application;</li> <li>(3) Bulk Mortgage Loan or Bulk Small Balance Commercial Loan closing statement;</li> <li>(4) Verification of employment and income, if required pursuant to the related Bulk Mortgage Loan's or Bulk Small Balance Commercial Loan's origination program;</li> <li>(5) Verification of acceptable evidence of source and amount of down payment, if required pursuant to the related Bulk Mortgage Loan's or Bulk Small Balance Commercial Loan's origination program;</li> <li>(6) Credit report on Mortgagor;</li> <li>(7) With respect to any Bulk Whole Loan, residential appraisal report;</li> <li>(8) Photograph of the Mortgaged Property;</li> <li>(9) Survey of the Mortgaged Property;</li> <li>(10) Copy of each instrument necessary to complete identification of any exception set forth in the exception schedule in the title insurance policy, i.e., map or plat, restrictions, easements, sewer agreements, home association declarations, etc.;</li> <li>(11) All required disclosure statements and statement of Mortgagor confirming receipt thereof;</li> <li>(12) If available, termite report, structural engineer's report, water portability and septic certification;</li> <li>(13) Sales contract, if applicable;</li> <li>(14) Hazard insurance policy;</li> <li>(15) Tax receipts, insurance premium receipts, ledger sheets, insurance claim files, correspondence, current and historical computerized data files, and all other processing, underwriting and closing papers and records which are customarily contained in a Bulk Mortgage Loan or Bulk Small Balance Commercial Loan file and which are required to document the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan or to service the Bulk Mortgage Loan or Bulk Small Balance Commercial Loan;</li> <li>(16) Amortization schedule, if available;</li> </ol>

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(17) Payment history for Bulk Mortgage Loans or Bulk Small Balance Commercial Loans that have been closed for more than 90 days.

<b>Mortgage Interest Rate</b>	With respect to each fixed rate Loan or Small Balance Commercial Loan, the fixed annual rate of interest provided for in the related Note and, with respect to each adjustable rate Small Balance Commercial Loan, the annual rate that interest accrues on such adjustable rate Small Balance Commercial Loan from time to time in accordance with the provisions of the related Note.
<b>Mortgage Note</b>	The original executed note or other evidence of the Bulk Mortgage Loan or Bulk Small Balance Commercial indebtedness of a Mortgagor.
<b>Mortgaged Property</b>	The Mortgagor's real property securing repayment of a related Mortgage Note, consisting of (i) a fee simple interest in a single parcel of real property improved by a Residential Dwelling with respect to residential Mortgage Loans or (ii) a fee simple estate or a leasehold estate in a single parcel of improved, income producing land with respect to the Small Balance Commercial Loans.
<b>Mortgagee</b>	The mortgagee or beneficiary named in the Security Instrument and the successors and assigns of such mortgagee or beneficiary.
<b>Mortgagor</b>	The obligor on a Mortgage Note, the owner of the Mortgaged Property and the grantor or mortgagor named in the related Security Instrument and such grantor's or mortgagor's successors in title to the Mortgaged Property.
<b>Multifamily Property</b>	A single parcel of real property improved by one or more detached multifamily housing structures comprising five or more dwelling units.

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<b>Negative Amortization</b>	The portion of interest accrued at the Mortgage Interest Rate in any month which exceeds the Monthly Payment on the related PayOption ARM Loan or Option ARM Bulk Mortgage Loan for such month and which, pursuant to the terms of the Mortgage Note, is added to the principal balance of the PayOption ARM Loan or Option ARM Bulk Mortgage Loan as applicable..
<b>Nonresident Alien</b>	Individuals who are not U.S. citizens but reside and work temporarily in the U.S.
<b>Note</b>	A promissory Note or other evidence of indebtedness and contract rights relating to a Loan offered for sale by Seller and purchased by DB Structured Products, Inc.

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## O

<b>Officer's Certificate</b>	A certificate signed by the President or a Vice President and by the Treasurer or the Secretary or one of the Assistant Treasurers or Assistant Secretaries of the Person on behalf of whom such certificate is being delivered.
<b>Opinion of Counsel</b>	A written opinion of counsel, who may be salaried counsel for the Person on behalf of whom the opinion is being given, reasonably acceptable to each Person to whom such opinion is addressed.
<b>Option ARM Bulk Mortgage Loan</b>	An Adjustable Rate Bulk Mortgage Loan which (i) provides the Mortgagor with multiple Monthly Payment options and (ii) may result in Negative Amortization, as set forth in the related Underwriting Guidelines.

## P

<b>Pair-Off Fees</b>	With respect to each Delivery Commitment, the dollar amount, if any, that a Seller is obligated to pay to DB Structured Products, Inc. with respect to the Seller's failure to deliver the required minimum amount of fundable Loans as of the Delivery Expiration Date.
<b>Pass-Through Transfer</b>	The sale or transfer of some or all of the Bulk Mortgage Loans or Bulk Small Balance Commercial Loans by DB Structured Products, Inc. to a trust to be formed as part of a publicly issued or privately placed mortgage-backed securities transaction.
<b>Payment Adjustment Date</b>	With respect to each PayOption ARM Loan and each Option ARM Bulk Mortgage Loan, the date on which the Monthly Payment shall be adjusted.
<b>PayOption ARM Loan</b>	A Loan secured by a Security Instrument and originated pursuant to Volume 3 of the <i>Deutsche Bank Correspondent Lending Seller Guides</i> purchased by DB Structured Products, Inc. from Seller pursuant to the <i>Deutsche Bank Correspondent Lending Seller Guides</i> and the Seller Agreement.
<b>Periodic Rate Cap</b>	With respect to each Adjustable Rate Bulk Mortgage Loan and any Adjustment Date therefor, a number of percentage points per annum that is set forth in the related Bulk Mortgage Loan Schedule and in the related Mortgage Note, which is the maximum amount by which the Mortgage Interest Rate for such Adjustable Rate Bulk Mortgage Loan may increase (without regard to the Maximum Mortgage Interest Rate) or decrease (without regard to the Minimum Mortgage Interest Rate) on such Adjustment Date from the Mortgage Interest Rate in effect immediately prior to such Adjustment Date.
<b>Permitted Encumbrances</b>	(i) the lien for current real estate taxes and assessments not yet past due and payable; (ii) covenants, conditions and restrictions, rights of way, easements and other matters of the public record as of the date of recording being

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acceptable to prudent mortgage lending institutions generally and/or specifically referred to in lender's title insurance policy delivered to the originator of the Mortgage Loan and (A) referred to or otherwise considered in the appraisal made for the originator of the Mortgage Loan or (B) which do not adversely affect the appraised value of the Mortgaged Property as set forth in such appraisal and (iii) exceptions, exclusions specifically referred to in such lender's title insurance policy; (iv) other matters to which like properties are commonly subject which do not materially interfere with the benefits of the security intended to be provided by the Mortgage or the use, enjoyment, value or marketability of the related Mortgaged Property.

<b>Person</b>	An individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.
<b>PITI</b>	The total mortgage payment that includes principal, interest, taxes, and insurance, including mortgage insurance and HOA dues.
<b>Planned Unit Development (PUD)</b>	A real estate project in which each owner has title to a residential lot and building unit and to nonexclusive easements over common areas of the project. The owner may have exclusive easements over some portion of the common area (for example, a parking space). The common property and improvements are owned and maintained by a homeowners' association for the use and benefit of the project's individual owners. The homeowners' association requires automatic, non-severable membership for each individual unit owner and has the right to impose mandatory assessments.
<b>Power Of Attorney</b>	A written instrument authorizing a person to act as the agent of the person granting it. A <i>general power</i> authorizes the agent to act generally in behalf of the principal. A <i>specific power</i> limits the agent to a particular or specific act. For example, under the provisions of a general power of attorney, an agent having the power to convey the property of a landowner may convey any or all of the property. Under provisions of a specific power of attorney, the agent may convey only that property specifically designated. In all real estate transactions, the power of attorney must be written and recorded. DB Structured Products, Inc. <i>will only accept a "Specific Power of Attorney."</i>
<b>Prefabricated Homes</b>	Components that are factory-built and then shipped to the site for assembly. They have less mechanical equipment (electrical, plumbing, heating) as part of the package than do modular homes.
<b>Prepayment Penalty</b>	With respect to any Loan or Bulk Small Balance Commercial Loans, any prepayment penalty or premium thereon payable in connection with a principal prepayment on such Loan pursuant to the terms of the related Note.
<b>Prime Rate</b>	The prime rate of interest as published in the Money Rates section of <i>The Wall Street Journal</i> , as such rate may vary from time to time.
<b>Primary Borrower</b>	The primary wage earner, earning 51% of the total income.





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<b>Primary Insurance Policy</b>	A policy of primary mortgage guaranty insurance issued by a Qualified Insurer.
<b>Principal Prepayment</b>	Any payment or other recovery of principal on a Bulk Mortgage Loan or Bulk Small Balance Commercial Loans which is received in advance of its scheduled Due Date, including any Prepayment Penalty, which is not accompanied by an amount of interest representing scheduled interest due on any date or dates in any month or months subsequent to the month of prepayment.
<b>Private Party</b>	Non-institutional lender.
<b>Purchase Date</b>	The date DB Structured Products, Inc. funds or pays the Purchase Price for any Loan purchased pursuant to the Seller Agreement.
<b>Purchase Price</b>	The amount DB Structured Products, Inc. will pay for a Loan or Bulk Small Balance Commercial Loans purchased from Seller as reflected in the Commitment.
<b>Purchase Money Transaction</b>	<p>Purchase money transactions are those in which all of the Loan or Bulk Small Balance Commercial Loans proceeds are used to finance the purchase of the property or to pay off an outstanding balance on an installment land contract. In this type of transaction, the applicant is not a vested owner at the time of application.</p> <p>For purchase transaction, the LTV is based on the lower of:</p> <ul style="list-style-type: none"> <li>• The sales price or adjusted sales price</li> <li>• The appraised value</li> </ul>

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<b>Qualified Insurer</b>	Any insurer which meets the requirements of FNMA and FHLMC.
<b>Qualified Substitute Bulk Mortgage Loan</b>	<p>A Bulk Mortgage Loan or Bulk Small Balance Commercial Loan substituted for a Deleted Bulk Mortgage Loan pursuant to the terms of the subsection entitled "Remedies for Breach of Any Representation or Warranty" in Chapter 2 with respect to the Bulk Mortgage Loans and Chapter 4 with respect to the Bulk Small Balance Commercial Loans which must, on the date of such substitution, have an outstanding principal balance, after application of all scheduled payments of principal and interest due during or prior to the month of substitution, not in excess of the Stated Principal Balance of the Deleted Bulk Mortgage Loan as of the Due Date in the calendar month during which the substitution occurs,</p> <p>(i) have a Mortgage Interest Rate not less than (and not more than one percentage point in excess of) the Mortgage Interest Rate of the Deleted Bulk Mortgage Loan,</p>

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- (ii) have a remaining term to maturity not greater than (and not less than) that of the Deleted Bulk Mortgage Loan,
- (iii) have the same Due Date as the Due Date on the Deleted Bulk Mortgage Loan,
- (iv) have a Loan-to-Value Ratio as of the date of substitution equal to or lower than the Loan-to-Value Ratio of the Deleted Bulk Mortgage Loan as of such date,
- (v) be covered under a Primary Insurance Policy if such Qualified Substitute Bulk Mortgage Loan has a Loan-to-Value Ratio in excess of 80% and the Deleted Bulk Mortgage Loan was covered under a Primary Insurance Policy,
- (vi) conform to each representation and warranty set forth in the *Deutsche Bank Correspondent Lending Seller Guides* and the related Bulk Commitment Letter and
- (vii) be the same type of Bulk Mortgage Loan or Bulk Small Balance Commercial Loan (i.e. fixed or adjustable rate with the same Gross Margin and Index as the Deleted Bulk Mortgage Loan).

In the event that one or more Bulk Mortgage Loans or Bulk Small Balance Commercial Loan are substituted for one or more Deleted Bulk Mortgage Loans, the amounts described in clause

- (i) hereof shall be determined on the basis of aggregate principal balances, the Mortgage Interest Rates described in clause
- (ii) hereof shall be determined on the basis of weighted average Mortgage Interest Rates and shall be satisfied as to each such Bulk Mortgage Loan or Bulk Small Balance Commercial Loan, the terms described in clause
- (iii) shall be determined on the basis of weighted average remaining terms to maturity, the Loan-to-Value Ratios described in clause
- (iv) hereof shall be satisfied as to each such Bulk Mortgage Loan or Bulk Small Balance Commercial Loan and, except to the extent otherwise provided in this sentence, the representations and warranties described in clause
- (v) hereof must be satisfied as to each Qualified Substitute Bulk Mortgage Loan or in the aggregate, as the case may be.

The substitution Bulk Mortgage Loan or Bulk Small Balance Commercial Loan shall be subject to DB Structured Products, Inc.'s approval in its sole discretion.

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**Rate/Term  
Refinancing**

A Refinanced Bulk Mortgage Loan, the proceeds of which are not in excess of the existing first Bulk Mortgage Loan on the related Mortgaged Property and related closing costs, and were used exclusively to satisfy the then existing first

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	Bulk Mortgage Loan of the Mortgagor on the related Mortgaged Property and to pay related closing costs.
<b>Reconstitution Agreements</b>	The agreement or agreements entered into by the Seller and DB Structured Products, Inc. and/or certain third parties on the Reconstitution Date or Dates with respect to any or all of the Bulk Mortgage Loans or Bulk Small Balance Commercial Loan serviced hereunder, in connection with a Whole Loan Transfer or a Pass-Through Transfer in the subsection entitled “Removal of Bulk Mortgage Loans or Bulk Small Balance Commercial Loan from Inclusion under the <i>Deutsche Bank Correspondent Lending Seller Guides</i> Upon a Whole Loan Transfer or a Pass-Through Transfer on One or More Reconstitution Dates”.
<b>Reconstitution Date</b>	The date or dates on which any or all of the Bulk Mortgage Loans or Bulk Small Balance Commercial Loan serviced under the section entitled “Bulk Whole Loan Transfers” or Bulk Small Balance Commercial Loan shall be reconstituted as part of a Whole Loan Transfer or Pass-Through Transfer.
<b>Record Date</b>	With respect to each Distribution Date, the last Business Day of the month immediately preceding the month in which such Distribution Date occurs.
<b>Refinanced Bulk Mortgage Loan</b>	A Bulk Mortgage Loan the proceeds of which were not used to purchase the related Mortgaged Property.
<b>Refinance Transaction</b>	<p>Refinance transactions are those in which the proceeds are used to pay off existing debt that has the same Borrower and property or to provide funds for the owner of a Subject Property that may or may not have a Loan. In this type of transaction, the applicant is a vested owner at the time of application.</p> <ul style="list-style-type: none"> <li>• Cash-Out Refi—On a Cash-Out Refi transaction, proceeds may be used for any legal purpose.</li> <li>• Rate and Term Refi—On a Rate and Term Refi transaction, the Loan amount cannot exceed what is needed to payoff existing liens against the Subject Property. No Cash-Out is permitted above a nominal amount (1% of the new Loan amount not to exceed \$1000).</li> </ul>
<b>Relative</b>	A relative is defined as a spouse, child, or other dependent or any other individual who is related to the primary wage earner by blood, marriage, adoption, or legal guardianship.
<b>REMIC</b>	A “real estate mortgage investment conduit” within the meaning of Section 860D of the Code.
<b>REMIC Provisions</b>	Provisions of the federal income tax law relating to REMICs, which appear in Sections 860A through 860G of the Code, and related provisions, and proposed, temporary and final regulations and published rulings, notices and announcements promulgated thereunder, as the foregoing may be in effect from time to time.

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## Glossary

<b>REO Account</b>	The separate trust account or accounts created and maintained pursuant to this <i>Deutsche Bank Correspondent Lending Seller Guides</i> which shall be entitled “[Seller], in trust for DB Structured Products, Inc., as of [date of acquisition of title], Fixed and Adjustable Rate Bulk Mortgage Loans or Bulk Small Balance Commercial Loans”.
<b>REO Disposition</b>	The final sale by the Seller of any REO Property.
<b>REO Property</b>	A Mortgaged Property acquired as a result of the liquidation of a Bulk Mortgage Loan or Bulk Small Balance Commercial Loan.
<b>Repurchase Price</b>	Shall have the meaning set forth in the subsection entitled “Repurchase Price” in Chapter 1 with respect to the Loans and Chapter 3 with respect to the Small Balance Commercial Loans.
<b>Resident Alien</b>	An individual who is not a U.S. citizen, but who holds an Alien Registration Receipt Card (also known as a <i>green card</i> ). He or she is authorized to live and work in the U.S. on a permanent basis.
<b>Residential Dwelling</b>	A residential dwelling can be any one of the following: <ul style="list-style-type: none"> <li>(i) a one-family dwelling,</li> <li>(ii) a two- to four-family dwelling,</li> <li>(iii) a one-family dwelling unit in a FNMA eligible condominium project, or</li> <li>(iv) a one-family dwelling in a planned unit development, none of which is manufactured housing, a co-operative, a commercial property, an agricultural property or a mixed use property.</li> </ul>

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<b>S&amp;P</b>	Standard & Poor's, a division of the McGraw-Hill Companies, Inc., or its successor in interest.
<b>Second Lien</b>	With respect to each loan secured by a Mortgaged Property, the lien of the mortgage, deed of trust or other instrument securing a Mortgage Note which creates a second lien on the Mortgaged Property.
<b>Second Lien Bulk Mortgage Loan</b>	A Bulk Mortgage Loan secured by the lien on the Mortgaged Property, subject to one prior lien on such Mortgaged Property securing financing obtained by the related Mortgagor.
<b>Security Instrument</b>	The mortgage, deed of trust or other instrument creating (i) a first lien with respect to any Small Balance Commercial Loan and (ii) a first or second lien with respect to any Loan, on Mortgaged Property securing the Mortgage Note.
<b>Seller</b>	A person or entity that has entered into a Seller Agreement with DB Structured Products, Inc.



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<b>Seller Agreement</b>	The Loan purchase agreement between the Seller and DB Structured Products, Inc. which is titled the <i>Seller Loan Purchase Agreement</i> .
<b>Servicing Advances</b>	All customary, reasonable and necessary “out-of-pocket” costs and expenses incurred by the Seller in the performance of its servicing obligations, including, but not limited to, the cost of (i) preservation, restoration and repair of a Mortgaged Property, (ii) any enforcement or judicial proceedings with respect to a Bulk Mortgage Loan, including foreclosure actions and (iii) the management and liquidation of REO Property.
<b>Servicing Criteria</b>	As of any date of determination, the “servicing criteria” set forth in Item 1122(d) of Regulation AB, or any amendments thereto.
<b>Servicing Fee</b>	With respect to each Bulk Mortgage Loan or Bulk Small Balance Commercial Loans in a Bulk Whole Loan Transfer, the monthly fee set forth in the related Bulk Commitment Letter which DB Structured Products, Inc. shall pay to the Seller. The obligation of DB Structured Products, Inc. to pay the Servicing Fee is limited to, and payable solely from, the interest portion (including recoveries with respect to interest from Liquidation Proceeds and other proceeds, to the extent permitted by the subsection entitled “Permitted Withdrawals From the Custodial Account”) in Chapter 2 with respect to the Bulk Mortgage Loans and in Chapter 4 with respect to the Bulk Small Balance Commercial Loans, of related Monthly Payment collected by the Seller, or as otherwise provided under the subsection entitled “Permitted Withdrawals From the Custodial Account” in Chapter 2 with respect to the Bulk Mortgage Loans and in Chapter 4 with respect to the Bulk Small Balance Commercial Loans. If the Interim Servicing Period includes any partial month, the Servicing Fee for such month shall be pro rated at a per diem rate based upon a 30-day month.
<b>Servicing File</b>	With respect to each Bulk Mortgage Loan or Bulk Small Balance Commercial Loans in a Bulk Whole Loan Transfer, the file retained by the Seller consisting of originals of all documents in the Mortgage File which are not delivered to DB Structured Products, Inc. or the Bulk Custodian and copies of all of the Bulk Mortgage Loan Documents for such Bulk Mortgage Loan or Bulk Small Balance Commercial Loan Documents for such Bulk Small Balance Commercial Loans.
<b>Servicing Transfer Date</b>	With respect to any Bulk Mortgage Loan or Bulk Small Balance Commercial Loans in a Bulk Whole Loan Transfer, the date on which the Seller transfers the servicing of a Bulk Mortgage Loan or Bulk Small Balance Commercial Loans to DB Structured Products, Inc. or its designee, which date shall be the day immediately following the expiration of the related Interim Servicing Period.
<b>Site Condominiums</b>	Condominium Projects composed of only detached one-unit dwellings and does not include manufactured housing units. There is no requirement that ANY warranty be made except that the dwelling meets this definition and the mortgage is covered by a title insurance policy that includes an ALTA Form 4, condominium endorsement, or its equivalent, and complies with normal title insurance requirements.

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<b>Small Balance Commercial Loan</b>	A small balance commercial loan secured by a Security Instrument purchased by DB Structured Products, Inc. from Seller pursuant to the <i>Deutsche Bank Correspondent Lending Seller Guides</i> and the Seller Agreement.
<b>Small Balance Commercial Loan Documents</b>	The documents listed in Appendix A of Volume 4 of the <i>Deutsche Bank Correspondent Lending Seller Guides</i> .
<b>Stated Principal Balance</b>	As to each Bulk Mortgage Loan or Bulk Small Balance Commercial Loans as of any date of determination, <ul style="list-style-type: none"> <li>(i) (i) the principal balance of the Bulk Mortgage Loan or Bulk Small Balance Commercial Loans as of the Cut-off Date after giving effect to payments of principal received on or before such date, minus</li> <li>(ii) all amounts previously distributed to DB Structured Products, Inc. with respect to the related Bulk Mortgage Loan or Bulk Small Balance Commercial Loans representing payments or recoveries of principal, plus</li> <li>(iii) with respect to an Option ARM Bulk Mortgage Loan, the cumulative amount of any Negative Amortization, if any.</li> </ul>
<b>Sub-Servicer</b>	Any Person with which the Seller has entered into a sub-servicing agreement to service certain of the Bulk Mortgage Loans or Bulk Small Balance Commercial Loans.
<b>Sub-Servicing Agreement</b>	The written contract between the Seller and a Sub-Servicer relating to servicing and administration of certain Bulk Mortgage Loans or Bulk Small Balance Commercial Loans as provided in the subsection entitled "Sub-Servicing Agreements Between the Seller and Sub-Servicers" in Chapter 2 with respect to the Bulk Mortgage Loans and Chapter 4 with respect to the Bulk Small Balance Commercial Loans.
<b>Subject Property</b>	With respect to a Loan, the underlying real property securing repayment of a Note, consisting of a fee simple parcel of real estate or a leasehold estate, the term of which is at least ten (10) years longer than the term of the related Note which is improved by a one to four family residential dwelling.

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<b>Tax Service Contract</b>	A transferable contract maintained for the Mortgaged Property with a tax service provider for the purpose of obtaining current information from local taxing authorities relating to such Mortgaged Property.
<b>Third-Party Originator</b>	A party or entity which completely or partially originates, underwrites, processes, closes, funds, or packages a Loan for delivery.

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**Tradeline** A tradeline is the type of credit obligation and its associated information, such as date opened, balance and periodic payment history that is typically listed on a credit report. A noncredit payment reference, such as rent, utilities and insurance that requires periodic payments is not considered a tradeline.

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**UCC-1 Financing Statement** A financing statement executed and filed pursuant to the Uniform Commercial Code, as in effect in the relevant jurisdiction.

**Underwriting Guidelines** The written underwriting guidelines of the Person identified in the related Assignment and Conveyance in effect with respect to the Bulk Mortgage Loans or Bulk Small Balance Commercial Loans purchased by DB Structured Products, Inc. on a Closing Date.

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**Whole Loan Transfer** Any sale or transfer of some or all of the Bulk Mortgage Loans or Bulk Small Balance Commercial Loans by DB Structured Products, Inc. to a third party, which sale or transfer is not a Pass-Through Transfer.

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